DEPARTMENT OF INDUSTRY

ANNUAL REPORT

1987-1988

Lieutenant Governor of Prince Edward Island

The Honourable Lloyd G. MacPhail

May it please your Honour:

I have the honour to submit herewith the Annual Report of the activities of the Department of Industry, for the period April 1, 1987 to March 31, 1988.

Your obedient servant,

Leonce Bernard

Leonce Bernard
Minister

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DEPARTMENT of INDUSTRY

Shaw Building
P.O. Box 2000

Charlottetown
C1A 7N8

Office of the Deputy Minister

15 February 1989

Honourable Leonce Bernard,
Minister,
PEI Department of Industry,
P.O. Box 2000,
CHARLOTTETOWN, PEI
C1A 7N8

Dear Mr. Bernard:

I am pleased to submit herewith the Annual Report for the Department of Industry for the fiscal year 1987-88. During the year, the Department continued to provide a broad range of programs and services to meet the needs of both Island employers and employees. New programs were introduced.

During 1987-88 the Department began to implement the five year Industrial Development Sub-Agreement which was signed in April of 1987. The first year of the Agreement provided $2,728,500 in funding to enhance and promote economic development. The Agreement provides for programs which will improve productivity as well as enhance competitiveness. Assistance in the implementation of new technology, provision of management and entrepreneurial development training as well as infrastructure support are important components of the new agreement.

The Jobs For Youth Program provided assistance to private and non-profit employers to hire new employees. Interest free loans have also been made to assist students and youth in their entrepreneurial efforts. The Jobs Registry System was also introduced which provides a computerized means of matching employer requests with the skills of students and youth.

During 1987-88, the Work Opportunities Fund provided a budget for the Tourism Industry Association to hire employees to enhance the scenic drive routes throughout the Province.

The Department completed some organizational changes during the year. Community development officers in the Regional Services Centres have been transferred to the Small Business Division. Their primary function now is to assist local entrepreneurs seeking to establish or expand their business. Also, responsibility for industrial prospecting and handcraft activities have been transferred to the PEI Development Agency.

With regard to the future, new initiatives are planned for 1988/89 which will create additional employment and training opportunities for all Islanders. Computers will be introduced to better enable staff to respond to the needs of small business and communities throughout the Province.

Staff and I will continue to provide quality programs and services to meet the needs of Island employers and employees.

Sincerely,

Mike Kelly

M. S. Kelly

/mjc

DEPARTMENT MANAGEMENT DIVISION

ADMINISTRATION

The approved operating budget for the fiscal year ended March 31, 1988 was $10,595,400. Actual expenditures during the year amounted to $10,748,682. This slight increase in expenditure over budget is more than off-set by increased revenue.

The approved revenue budget for the fiscal year was $5,234,200. Actual revenue received amounted to $5,425,981. This additional revenue resulted primarily from the Industrial Development Sub-agreement.

A detailed financial breakdown of expenditures and revenue can be found in Appendix "A".

The total staff complement at March 31, 1988 was 59 employees (55 permanent full-time, 1 Executive, 1 Contract and 2 full-time relief). Figure "1", on reverse side, presents the Departmental "Organizational Chart" in Division and Section form.

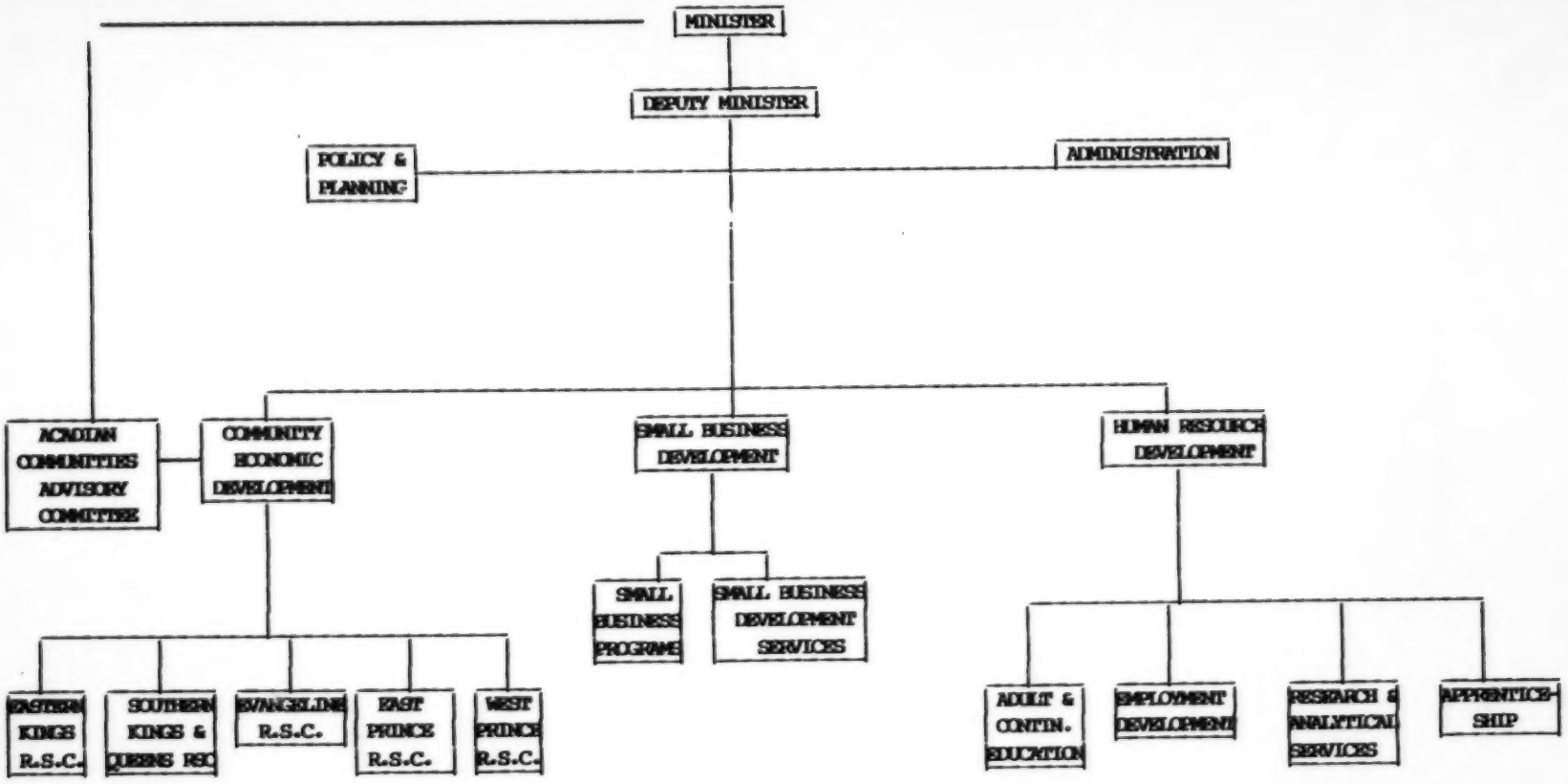
Primary functions carried out by the Administration Section included accounting, personnel, budgeting, inventory control, management and administrative support services.

ORGANIZATIONAL CHART

Figure 1

DEPARTMENT OF INDUSTRY

31 March, 1988



POLICY AND PLANNING

The Policy and Planning Division is responsible for overall Departmental Policy co-ordination. The Division operates as an internal consulting/support group, responding to individual requests from line managers and the Executive. Specific responsibilities include:

- the conceptualization and maintenance of a planning framework for all Departmental operations
- development and co-ordination of Industrial Development policies and strategies
- development and review of policies related to public sector procurement and regional economic development at the Provincial and Federal level
- program development
- joint program and operational planning with other Departments and Agencies (both Provincial and Federal)
- review, research and update Legislation and related Regulations
- development/review of Provincial Trade Policies
- analysis of foreign investment proposals.

In addition, the Director of Policy and Planning acts as the Secretary/Treasurer to Georgetown Shipyard's Board of Directors.

SPECIAL PROJECTS

The Policy and Planning Division assumed the responsibilities of Special Projects, more specifically the development and review of science and technology policies and co-ordination of related activities at the Provincial and Federal level.

COMMUNITY ECONOMIC DEVELOPMENT DIVISION

INTRODUCTION

This Division acts as a catalyst for the promotion of stronger Island communities. Staff is located in Charlottetown and in five Regional Services Centres across the Island. Responsiblities of the Division include:

- assisting community development organizations develop local resources and access programs, especially in their efforts to create jobs;
- administering the Regional Services Centres and delivering regional government services;
- co-ordinating government response to community development initiatives;
- delivering the Community Economic Development Program in co-operation with the Small Business Division;
- administering the Area Industrial Commission Subsidiary Agreement in co-operation with the Atlantic Canada Opportunities Agency;
- assisting Native people and Native groups develop their resources;

AREA REPORTS

This section summarizes activities and statistics in each of the geographic regions and the program areas of the Division. A few highlights for the 1987/88 year follow.

- There were 301,148 telephone inquiries received by the Regional Services Centres, and 93,355 clients visited the Centres.
- Over 439 community meetings were attended by regional staff, during which approximately 65 community development projects were assisted.
- Nine projects were approved under the Community Economic Development Program, creating over 35 continuing jobs and also creating many short-term jobs.

During the year, the Division was restructured to reflect changing needs and priorities. The Division consists of three regional areas: western, central and eastern. The major purpose of the reorganization was to improve overall co-ordination and delivery of services.

For this report year (1987/88 fiscal year), community development initiatives are reported on a western, eastern and central area basis. Administrative functions of the Regional Services Centres are reported on a Centre basis within the umbrella of the western and eastern areas (see map). The Community Advisory Boards continued to provide valuable advice on regional service delivery. See tables for a statistical summary of regional service activities.

Western Area

The Western area includes the West Prince, East Prince and Evangeline Regional Services Centres. Following is a description of community economic development activities undertaken by the regional staff during 1987/88.

There has been a marked increase in usage of government services provided by the Regional Services Centres. One of the significant accomplishments has been the relocation and expansion of the bilingual offices in Place du Village, Wellington.

The Community Economic Development Program has gained a favorable response from Prince County residents. A total of 9 applications were submitted with 8 approvals. Six projects actually proceeded, with 30 jobs to be created.

Information meetings were held with several municipalities. These meetings focused on the programs of the Division and the grassroots approach to Economic Development.

A close working relationship was continued with the area's Industrial Commissions, with planning and financial assistance provided. Several projects sponsored by the Industrial Commissions were assisted by the Division.

In addition, many meetings were held with other Economic Development groups as well as various community groups. More specifically, management and administrative support were provided to the following groups:

- West Prince Community Advisory Board,
- Western Advisory Council for the Community Economic Development Program,
- Evangeline Community Advisory Board,
- Comite Acadien,

- Baie Acadienne Industrial Commission,
- Kinkora Area Business Commission,
- Borden Area Business Committee,

Some of the projects assisted were:

- West Prince Incubator Mall, Bloomfield,
- West Point Light House Expansion,
- Rural Business Centre, Place du Village, Wellington,
- Evangeline Economic Summit,
- "Olde Barrel" Potato Chip Co-operative,
- Kinkora Rural Business Centre.

A description of the administrative activities of the western area centres follows.

West Prince Regional Services Centre

Service delivery activities in the West Prince Services Centre are summarized as follows.

- Community Mental Health Counsellor located on part-time basis.
- Service delivery provided by 13 full-time Departments (80 employees) and 17 part-time services (18 employees).
- Canada Mortgage and Housing Corporation increased their visits to weekly in order to accommodate the many clients looking for service.
- Secretarial staff provided support to Community & Cultural Affairs, Labour, Justice, Red Cross, Land Development Corp., Advisory Board, as well as Industry personnel.
- Industry staff provided the public with a number of licences and assisted with completing various federal and provincial applications.

The West Prince Community Advisory Board advises government on regional service delivery and promotes employment and development opportunities. A report on its 1987/88 activities follows.

West Prince Community Advisory Board

The highlight of 1987/88 was the Wood Bio-Mass Conference which attracted 120 participants from P.E.I. and drew great interest from other Atlantic provinces. This conference was the first of its kind on P.E.I. and was co-sponsored by the Advisory Board and the Department of Energy & Forestry. Hon. Marcel Masse was guest speaker at this function.

Four projects were carred out during 1987/88: Job Entry (28 youth) $53,000 excluding participant training allowance; Social Assistance Recipients Program (10 participants) $70,000; Seniors' Home Repair (7 workers) $69,000 and Wild Oats and Forage Project (2 students).

The Board participated with other community groups in the Community Futures Program. Board members participated in an annual tour of various Island businesses which included the Olde Barrel Potato Chip Plant and the Atlantic Veterinary College.

During the year, eight special guests participated in Board meetings.

Both the Federal and Provincial Government were approached on:

- relocation of Group Home,
- Rural Residential Rehabilitation Assistance Program,
- Highway Foreman based at Centre,
- reinstatement of Drivers Education,
- loss of full-time Co-ordinator and centralization,
- Calgro Greenhouse Project,
- Incubator Mall,
- staff shortage - Agriculture,
- review of Canadian Jobs Strategy,
- replacement of Housing Officer.

Evangeline Regional Services Centre

Service delivery activities in the Evangeline Centre included the following.

- The office was moved to new quarters in "Place du Village."
- Secretary of State now has a part-time Development Officer working out of the Centre.
- Canada Mortgage and Housing Corporation provided services on a monthly basis.
- Health & Social Services provided an immunization service out of the Centre.
- The Red Cross Community Support Program operated out of the Centre.
- The conference room was well used by a variety of community groups.

Evangeline Community Advisory Board

The Evangeline Community Advisory Board continued to promote community development in the area. Activity highlights for 1987/88 follow.

- Two Jobs for Youth projects were sponsored.

- A public meeting was held to obtain community opinion on part-time government services needed in the area.

- The possibility of obtaining Community Futures Program in the area was reviewed.

- A pamphlet on services provided at the Centre was printed and will be distributed to the public.

- The Board lobbied for needed part-time services.

- The Board worked on the clarification of their mandate and role in the community.

East Prince Regional Services Centre

Service delivery activities in the East Prince Centre in Summerside included the following.

- Major renovations were made to house the Premier's Office; this office is permanently staffed by two individuals.

- The Emergency Measures Organization increased their staff by two during the past year.

- A Justice Resource Worker worked out of this Centre three days a week.

- A Curriculum Consultant with the Department of Education worked out of the Centre two days a week.

The East Prince Centre does not have an Advisory Board.

Eastern Area

The Eastern area includes the Eastern Kings Regional Services Centre, the Southern Kings & Queens Regional Services Centre and a satellite office in Morell. Economic Development activities conducted by the Eastern Area Co-ordinator and regional staff for 1987/88 included providing management and administrative support to the following groups:

- Eastern Kings Community Advisory Board,
- Southern Kings & Queens Community Advisory Board,
- Eastern Advisory Council for the Community Economic Development Program,
- Souris Area Industrial Commission,
- Eastern Kings Tourism Association,
- various community and town councils.

Some of the projects assisted were:

- Eastern Kings Tourism Study,
- Eastern Kings Trade Fair,
- Belle River Business Centre,
- Wood Islands Farmers Market Co-op Project,
- Spry Point Ark Project,
- Light Service Industrial Mall Project - Souris.

A description of the administrative activities at the Centres in the Eastern area follows:

Eastern Kings Regional Services Centre

The Eastern Kings Regional Services Centre has experienced a rewarding year of growth with the addition of several new staff positions as well as a wide range of new or improved services.

During the fiscal year of 1987/88, the Eastern Kings Regional Services Centre accommodated 26 full-time staff and 36 part-time staff. The Centre responded to 27,172 visitors and 74,270 phone calls. The boardroom facilities were used for 225 meetings and audio visual equipment was loaned to 80 community people.

The Department of Industry support staff assists the delivery of programs from many departments; therefore, the statistics on usage are not for the Department of Industry programs only. Staff received 4,020 visitors and 11,206 phone calls. As well, Industry staff issued 28 fire arm safety certificates and recorded 34 requests for removal of derelict car bodies and 150 requests for bacterial water samples.

Eastern Kings Community Advisory Board

Some of the main issues which the Advisory Board concentrated its efforts on were: recruiting and educating new members, the space issue at the Eastern Kings Regional Servics Centre, appointing an active member to the Provincial Exhibition Committee, lobbying government for speech therapy services in Eastern Kings and working on a revised role for the Board.

The Advisory Board sponsored a successful Home Repair project.

Guests to the Board included: Northumberland Bridge builder, Island Nature Trust, P.E.I. Housing Corp., Water Resources Division, and Hon. Leonce Bernard.

Letters were sent on the following issues: outdated snowplow equipment in Eastern Kings, environmental concerns for Souris Beach, red fish quota, lighthouse automation, vet issue (lobbying for full-time vet services in Eastern Kings), support of Souris Day Care and a request to C.E.I.C. for changes to the Home Repair project to exclude the Section 38 clause; a brief was sent to Cabinet on Tourism in Eastern Kings.

Southern Kings & Queens Regional Services Centre

Some of the service delivery activities of the Southern Kings & Queens Services Centre included:

- Fish & Wildlife Division used the Centre as a base of operations for the Stream Improvement project,
- three Youth Workers were employed in the Centre with the Department of Justice,
- one Employment Enhancement Worker was added in Social Services.

Southern Kings & Queens Community Advisory Board

The Southern Kings & Queens Advisory Board had an active year. The following is a sample of their activities:

- Home Repair program,
- completed Phase 2 of Cole Crop report,
- took the lead in establishing the Junior Achievers program in the Southern Kings & Queens region,
- sponsored joint Advisory Board meetings,
- corresponded with various Government agencies regarding areas of concerns.

Central Area

A Central Area Co-ordinator assisted special projects and community development co-ordination in the Queens County area.

Economic development activities for 1987/88 included:

- co-ordination, with the Institute of Island Studies, of a series of seminars on local development with Mr. George McRobie, a noted authority on community development (seminars were held throughout the province);
- consultation with various municipal councils on local development programs and projects (including Mt. Stewart, North Rustico, Hunter River);
- Island Hay & Straw Co-op expansion project;
- South Shore Tourism Association;
- Afton Hall Project;
- Avondale Tissue Culture Project;
- Native Council of P.E.I. development project;

Tables

The following two tables represent a statistical activity summary of all Regional Services Centres.

TABLE I

DEPARTMENT AND AGENCIES REPRESENTED AT
REGIONAL SERVICES CENTRES - CLIENT STATISTICS
April 1, 1987 to March 31, 1988

	WEST PRINCE		EAST PRINCE		EASTERN KINGS		SOUTHERN KINGS & QUEENS		EVANGELINE	
DEPARTMENTS	CLIENT VISITS	PHONE CALLS	CLIENT VISITS	PHONE CALLS	CLIENT VISITS	PHONE CALLS	CLIENT VISITS	PHONE CALLS	CLIENT VISITS	PHONE CALLS
Full-Time:										
Agriculture	2,426	9,044	3,869	7,157	1,816	7,068	1,986	6,354	2	4
Canada Employment Centre	10,645	25,637				563	310	625	20	34
Artificial Breeders Ass.		3,675		6,854						
Comm. & Cult. Affairs	492	4,197	833	5,503	523	2,614	1,776	7,607	50	31
Highway Safety					12,800	7,637	13,486	5,784		
P.E.I. Housing Corp.	483	3,361	639	5,033	1,209	5,894	983	4,102	5	6
Industry	4,308	11,218	1,691	6,570	4,020	11,206	2,219	5,117	2,613	3,197
Labour	91	1,109	103	485			612	2,242	4	6
Emergency Measures Organ.			80	2,199						
Land Development Corp.	290	1,162					68	219		
Public Works							338	1,603	12	9
Premier's Office			1,068	1,454						
Red Cross	265	807			80	489	231	1,977	12	8
Social Services	2,375	27,533			4,390	24,120	5,520	41,352	2	4
Home Care & Support		4,174				6,525				
Tourism									175	75
Justice	121	1,593					1,067	3,780	2	12
Veterinary Clinic		1,307								
Part-Time:										
Finance (Taxation)	14	15					106	197	10	7
Rentalsman			22	140						
Land Development Corp.					72	104				
Energy & Forestry	36	124			210	648	241	906	10	8
Health		messages								

TABLE I CONTINUED:

DEPARTMENTS	WEST PRINCE		EAST PRINCE		EASTERN KINGS		SOUTHERN KINGS & QUEENS		EVANGELINE	
	CLIENT VISITS	PHONE CALLS	CLIENT VISITS	PHONE CALLS	CLIENT VISITS	PHONE CALLS	CLIENT VISITS	PHONE CALLS	CLIENT VISITS	PHONE CALLS
Addiction Foundation	127	175					13	30		
Lending Authority	messages									
Advisory Board Projects	137	781					122	683		
Worker's Compensation	5	10							3	5
Health & Welfare Canada	266	76	1,149	2,589	271	818	424	891	15	33
Armed Forces	8	4								
Comm. & Cult. Affairs (Env.)					49	95				
F.B.D.B.	3	3	5	21	5		5	11		3
Immigration	3	10					1	1		
Employment Develop. Branch	10	2								
Council of Disabled -(Native & Disabled)	17	108	133	855	51	214	193	685		
Dept. Veteran Affairs	141	150	91	105	60	78	97	232		
Members Legislative Ass.					599	1,663	20	99	75	12
Secretary of State									30	7
P.E.I. Dev. Agency			17	145					1	2
Canada Morg. & Hous.	196	158	166	297	98	94	143	297	15	16
Education			22	231					16	4
Justice			44	730	460	1,346	12	46		
Women's Employment Dev.	25	140	12	161			22	78		
Civil Service Comm.	76		211	58					38	11
Income Tax (Revenue Can.)			200	444					61	40
Women's Re-Entry				10						
Miscellaneous	68	501		24	459	3,094	29	268	5	19
TOTAL	22,628	97,074	10,355	41,065	27,172	74,270	30,024	85,186	3,176	3,553

Total Client Visits (5 Centres): 93,355
Total Telephone Calls (5 Centres): 301,148

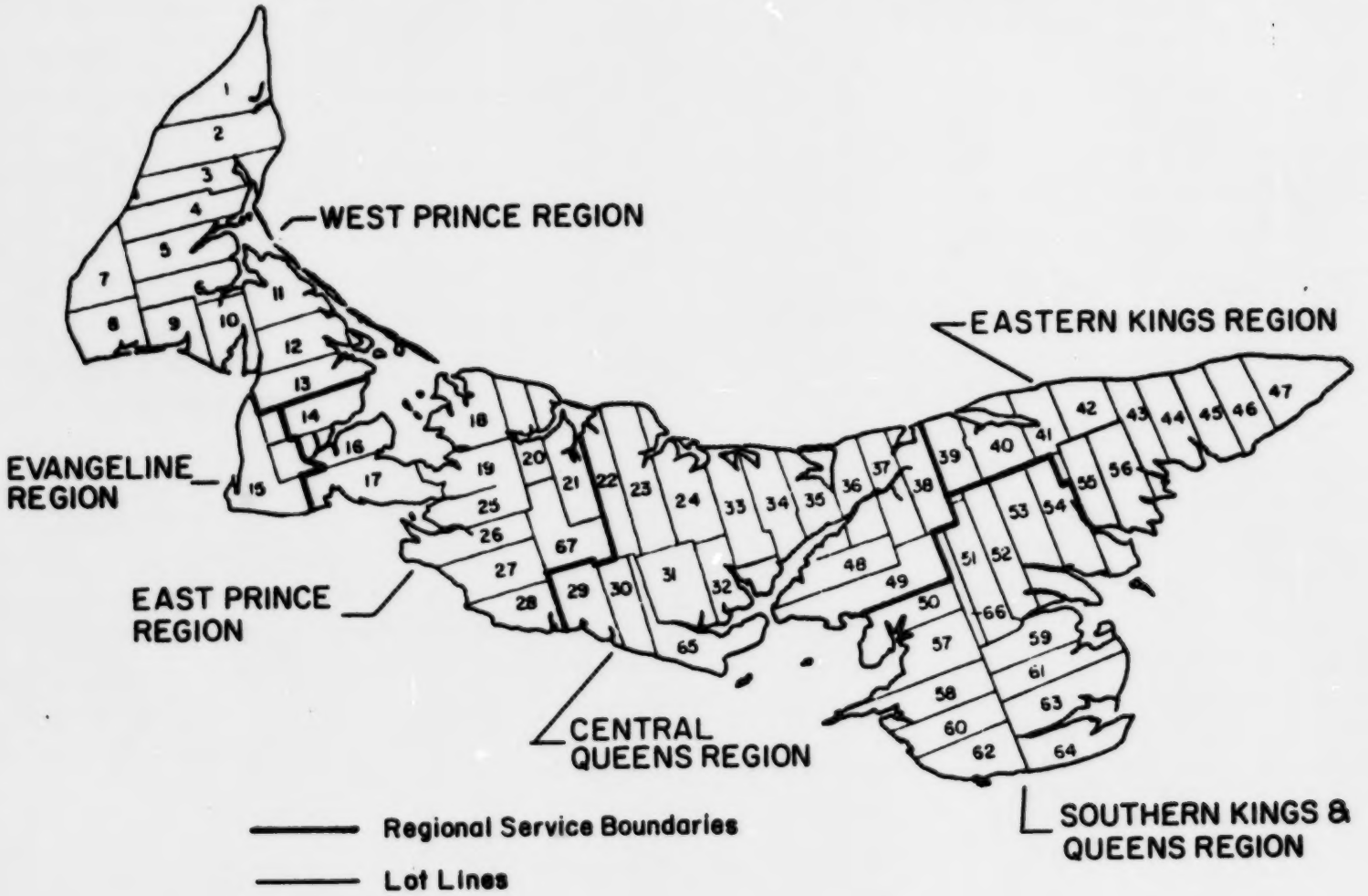
TABLE II

OTHER SERVICES PROVIDED

	WEST PRINCE	EAST PRINCE	EASTERN KINGS	SOUTHERN KINGS & QUEENS	EVANGELINE
- Salmon Licenses	12				
- Trapping Licenses	39			101	5
- Firearm Safety Permits	56	150	28		10
- Fur Export Permits	45	30	3	75	2
- Night Hunting Licenses	4			10	1
- Community Meetings	310	209	122	365	106
- Government Staff Meetings	265	359	103	49	14
- Marriage Licenses	77				
- Electrical Applications	805	912		720	
- Building, Mobile & Sewage	371	490		340	
-Derelict Car Body Removal	32	4	36		1
- Audio Visual Equip. Loans	129	80	72	116	
- Plumbing Permits		367		158	
- Migratory Bird Hunt. Perm.	4	21		53	1
- Water Testing Applications	255		180	250	2

These are mostly services provided by Community & Cultural Affairs with clerical assistance from the Centre (Industry Staff).

REGIONAL SERVICE CENTER BOUNDARIES



Western Area includes:
West Prince, Evangeline and East Prince Regional Services Centres

Eastern Area includes:
Eastern Kings and Southern Kings & Queens Regional Services Centres

Other Divisional Activities

In the special projects area, assignments included co-operative development, French Services Policy for Government and a Co-operative Development Strategy for Prince Edward Island. Work on the Co-operative Strategy spanned the whole year and required the involvement of the co-operative organizations and various Federal and Provincial agencies.

The Co-operative Development Strategy, which was tabled in the Legislature on March 10, 1988, maps out a plan for: (a) increasing local investment in co-operatives, (b) encouraging workers' co-operatives, (c) improving government services to co-operatives and (d) strengthening the infrastructure for co-operative development. The Strategy will be implemented over the next four years by this Division in co-operation with the P.E.I. Development Agency and provincial co-operative organizations.

A French Services Policy has been adopted by government. This policy outlines a strategy for assessing the need for government services in the French language and developing a plan for addressing that need. This Division assisted in co-ordinating the implementation of the policy in co-operation with other departments and the Civil Service Commission.

Another area of Division activity is in Cultural Industries. During the year, the Division participated in:

- Cultural Product Adjudication Committee with the Department of Community & Cultural Affairs.

- P.E.I. Film and Video Development Committee.

AREA INDUSTRIAL COMMISSIONS

During the 1987/88 fiscal year, the Department of Industry administered Year 3 of a five-year Industrial Commission Sub-Agreement with the Department of Regional Industrial Expansion (now Atlantic Canada Opportunities Agency) under the Economic Regional Development Agreement. This year's agreement provided a 70 percent administrative support contribution to the Island's seven Area Industrial Commissions. Each Commission proposed development plans for its area and was awarded operational contributions as follows:

Active Commissions	Operational Grant Offer (1987/88) (70 percent contribution)
West Prince Industrial Commission	$40,500
Baie Acadienne Industrial Commission	$18,000
Greater Summerside Area Industrial Commission	$36,000
Kensington Area Industrial Commission	$22,500
Charlottetown Area Industrial Commission	$33,300
Three Rivers Area Industrial Commission	$30,600
Souris Area Industrial Commission	$18,000

The Area Industrial Commissions, in meeting the needs of their areas, had a very active year in which economic development was promoted through several venues. Activities included assisting and counselling small business to promotion of the regions using tourism brochures, trade shows and hosting business seminars. These activities have led to a more a favorable business climate for entrepreneur start-up.

Highlighting this year's activities, the West Prince Commission spearheaded the construction of an incubator mall and assisted in the development of a 70-seat restaurant and a six-unit hotel at West Point. Baie Acadienne Commission, among other achievements, successfully constructed Place du Village, a rural business centre. The Summerside Area Industrial Commission was instrumental in locating businesses, such as Imperial Ambulances Outfitters, in its industrial park; and Kensington attracted over $275,000 in new private investment to its area with the expansion of such businesses as Valley Construction truss manufacturing and a new bulk storage facility for Master Feeds. The Charlottetown Area Industrial Commission focused on promoting its area, hosting seminars and meetings, plus encouraging and investigating new opportunities. The Souris Area Industrial Commission highlighted its activities with an active role in promoting business and tourism with two trade shows, a tourism brochure and active participation in local events. The Three Rivers Commission was also active in promoting tourism, as well as establishing the Belle River Rural Business Centre and Stewart house, a combination apartment and business complex.

Together, the Commissions were able to attract over $2.5 million in private investment to their areas, as well as being instrumental in job creation.

NATIVE ECONOMIC DEVELOPMENT

During 1987/88, John Joe Sark, Native Economic Development Officer, continued to assist Minegoo Indian Arts & Craft Society. The Society has the goal to facilitate human resource development and has focused involvement in that area since 1981. Through various projects under the sponsorship of the Minegoo Indian Arts & Crafts Society, approximately 12 Indian people have been employed at the Basket Production Centre and the retail shop for the past 4 years.

The Society also sponsored 11 people for 20 weeks training in a leather garment course at Lennox Island. The Lennox Island Band Council has taken the initiative to secure funding from the Community Economic Development Program and the Small Business Development Program to buy, clear and harvest a new peat bog. Staff also assisted Lennox Island put together a tour guide proposal.

Individual Indian people were assisted to secure funding from Indian Affairs for their small business ideas. Co-ordination and facilitation was promoted by arranging senior level meetings through the Federal Co-ordinator Office, which brought people from the Federal and Provincial Agencies together to discuss proposals put together by the Indian organizations. Sometimes activities did not directly involve economic development; for example, counselling assistance was also provided to Native people in such areas as social assistance, human rights and employment.

COMMUNITY ECONOMIC DEVELOPMENT PROGRAM

During this report year, the new Community Economic Development Program was introduced. The objective of the program is to create continuing jobs across the Island through the establishment of viable community enterprises. The program represents a new approach to helping Community Development, as it provides a loan guarantee and interest rebates rather than a straight grant. During the reporting year, a Western and also an Eastern private sector board assisted in the review of proposals.

The following projects were approved during 1987/88:

Project	Sponsor	Loan Principal (80% guaranteed)	4-year Interest Rebate Commitment	# Jobs* Created
Western Area				
Hay Marketing Business	Island Hay & Straw Co-op, New Glasgow	$ 57,915	14,480	8.5
West Point Light-house	West Point Development Corp. Ltd.	100,000	25,000	4
Cute Road Farmers Hay Project	Cute Road Farmers Co-op Ltd.	10,500	2,624	.75
West Prince Incubator Mall	West Prince Industrial Commission	200,000	50,000	8
East Bideford Peat Moss Operation	Mahemigew Inc.	125,000	31,250	5
North Cape Rest. & interpretive Centre	West Prince Area Industrial Commission	60,000	15,000	4
Eastern Area				
Wood Islands Farmers Market	Wood Islands Farmers Market Co-operative	N/A	1,625	1
Belle River Business Facility	Three Rivers Industrial Comm.	40,000	10,000	3
Cole Crop Growers Assoc. Hydro-cooler	Cole Crop Growers Association	11,250	2,813	1
TOTAL	(Approved Projects)	$604,665	$152,792	35.25

* For the purpose of this program, one job is defined as 50 person weeks of employment.

HUMAN RESOURCE DEVELOPMENT DIVISION

The Human Resource Development Division provides training and employment development programs designed to meet the needs of Prince Edward Island employers and employees. In this respect, the Division works closely with the Canada Employment and Immigration Commission (CEIC) to determine the training needs of employers and employees. The co-operation of CEIC is greatly appreciated. In June 1986, Prince Edward Island signed a new three year training agreement with CEIC.

This year, the Employment Development Section provided part-year jobs for approximately 600 Islanders while approximately 860 people were trained through the National Training Agreement which is co-managed by the Division and CEIC. During the year there were 92 new apprentices registered in the Apprenticeship Program. Labour market research and analysis have provided information to assist in program design and to respond to the requests for labour market information.

To further assist Island employers and entrepreneurs make the most effective possible use of their human resources, the department continues to offer its human resource planning services. Available to businesses across the province regardless of size, these services include:

- providing information on federal and provincial human resource development programs
- identifying employer and employee training needs
- liaising on employers' behalf in arranging training assistance
- preparing human resource development plans, and
- providing a variety of labour market information.

With continuing changes in the workplace brought about by new technology and demands for more highly skilled workers there are increasing requirements for higher reading and math levels of employees. Realizing this the Province is attempting to be increasingly supportive of literacy training initiatives.

ADULT AND CONTINUING EDUCATION SECTION

CANADIAN JOBS STRATEGY - DIRECT PURCHASE

A three year training agreement signed in June 1986, expires March 31, 1989. Under the terms of the Federal/Provincial Training Agreement Prince Edward Island received $3,010,242 in 1987/88 for the purpose of conducting training programs for labour market entrants and participants. Much of the Direct Purchase training is limited to what is approved on a "Designated Occupational Skill Shortages List." This list reflects occupations that are in short supply and are recommended by a local committee and approved at the PEI Regional Office of the Canada Employment and Immigration Commission (CEIC).

The following is a list of some of the training courses offered in 1987-88:

Preparation for Employment	54 Places
Computer Applications Programmer	46 Places
Electro-Mechanical Technology	41 Places
Resident Care Worker	31 Places
Preparation for Vocational Training	30 Places
Career Exploration for Women	30 Places
Silviculture Worker	28 Places
Bricklaying	24 Places
In-Home Support Worker	20 Places
Deck Officer Upgrading	15 Places
English as a Second Language	15 Places
Aquaculture Technician	10 Places

Courses offered in the past were also modified to better address the needs of the labour market and, the trainees. In addition to a variety of curriculum changes, entrance requirements were also altered.

The diverse part-time offering for employed workers continues to evolve and develop in order that recent trends and technological developments may be addressed.

Statistical Summary

	1984-85	1985-86	1986-87	1987-88
Student Days	115,305	97,566	79,073	65,569
Number of Courses	172	149	121	89
Courses Cancelled	5	4	3	2
Training Costs	$4,176,123	$4,022,164	$3,676,864	$3,010,242

ADULT NIGHT CLASS PROGRAM

The Adult Night Class Program, funded by the Province and conducted by Holland College, provides adults with an opportunity to upgrade their academic proficiency through part-time study.

An evaluation of the Adult Night Class Program was conducted in 1987-88 by the Research and Analytical Services Section in co-operation with the Adult and Continuing Education Section. A report based on this evaluation will be available in 1988-89.

Statistical Summary - Adult Night Class Program

LOCATION	NUMBER OF CLASSES	TOTAL ENROLLMENT	NUMBER OF TEACHERS
Extension West			
Elmsdale	1	15	2
Summerside	6	117	10
Abram's Village	1	12	1
Kensington	3	43	6
Tignish	1	19	1
Sub-Total	12	206	20
Extension East			
Sleepy Hollow	1	11	1
Souris	1	15	2
Montague	1	63	2
Charlottetown	5	212	14
Sub-Total	8	301	19
TOTAL	20	507	39

LITERACY TRAINING

The Province continues to contribute funds to the voluntary Literacy Councils of Prince Edward Island toward their work of teaching adults to read and write. These volunteers are to be commended for the generous sharing of their time and talents in this humanitarian endeavour. The Provincial and Federal Governments are presently working together to investigate ways to expand literacy training initiatives in the Province.

JOINT FEDERAL/PROVINCIAL LABOUR MARKET NEEDS COMMITTEE STRUCTURE

The Joint Committee structure is the mechanism by which the Provincial and Federal Government are able to resolve many labour market issues of mutual concern and often of joint responsibility. The Committees deal with such issues as purchases of training courses, immigration, Federal/Provincial Training Agreement. The section provides secretariat services and implements the decisions of the Committee.

TRAINING PLAN PREPARATION

The Section liaised with Federal and other Provincial Departments which have involvement in the training courses the Province co-sponsors with the Canada Employment and Immigration Commission.

After the adult training requirements were obtained from the various representatives of government, labour, management and other sources, and a thorough review of labour market needs was completed, the Annual Training Plan was prepared for submission to the Joint Federal/Provincial Labour Market Needs Committee for review and ratification. The Training Plan was funded in the amount of $3,010,242.

OTHER PROJECTS

Responses were made to inquiries on such human resource issues as training, unemployment insurance and employment opportunities.

An automated financial management system was developed which records information on previously-offered and current courses, and which enables staff to more easily determine the payments to be made to training institutions, and to more quickly respond to the need for financial reports on course expenditures.

APPRENTICESHIP AND INDUSTRIAL TRAINING SECTION

APPRENTICESHIP TRAINING

The Apprenticeship and Industrial Training Section provides programs and services that address the training needs of adults. In-school training was provided for 220 apprentices in 22 trades. Examinations were conducted and certificates of qualification were issued in twenty trades to 160 successful candidates - 60 of these candidates also received a "Red Seal" denoting interprovincial status. See Table 1 for more detailed information.

During the year the Truck and Transport Mechanic Interprovincial Examination was piloted and approved for use.

The following examinations were administered during 1987/88.

Type	Number
Pre-Apprentice	70
Block Release for Apprentices	47
Interprovincial for Apprentices	85
Interprovincial for Journeymen	25
Certificate of Qualification	150
Certificate of Achievement	32
Total	**409**

Inter-provincial Programs

Inter-Provincial Examinations - Draft Validations	12
Occupational Analysis - Draft Validations	8
Canadian Occupations - Draft Validations	5

Procedures manual for examination officers was completed and sent to Ottawa for printing and distribution.

Provincial Programs

Examination Reviews - Certificate of Qualification	4
Apprentice Block Exams	6

Under the Private Trade Schools Act, 13 schools were registered, 3 were granted an exemption under the act and 33 requests for information were processed. In 1987/88 amendments to the regulations regarding teacher qualifications were prepared for consideration by Executive Council.

Apprenticeship Training Officers made 2,170 visits to apprentices and their supervisors on job sites.

TABLE 3

TRADES	Apprentices April 1, 1987	Apprentices March 31, 1988	New Apprentices	Drop-outs	In-School Training	Apprentices Qualified	Others Qualified	Total Certificates Issued to Date	Total Red Seals Issued to Date	Work Permits
Bricklayer	6	3	1	4	4	0	0	47	38	X
Cabinet Maker	8	4	3	4	6	3	0	11	X	X
Carpenter	90	67	13	28	35	8	2	534	241	X
Cook	45	28	13	20	30	10	14	99	51	X
Drafting	0	0	0	0	0	0	0	4	X	X
Electrician (Construction)	61	48	10	21	22	2	6	307	201	X
Electrician (Industrial)	0	0	0	0	0	0	0	7	0	X
Farm Equipment Mechanic	11	8	2	5	0	0	0	32	X	X
Heavy Duty Equipment Mechanic	5	2	0	2	1	1	2	90	18	X
Industrial Instrument Mechanic	0	0	0	0	0	0	0	1	1	X
Industrial Mechanic (Millwright)	0	0	0	0	0	0	0	11	2	X
Lineman	7	10	4	1	6	0	1	67	11	X
Machinist	6	3	1	4	1	0	2	21	6	X
Motor Cycle Mechanic	0	0	0	0	0	0	2	19	X	X
Motor Vehicle Mechanic	73	53	15	21	49	14	10	681	228	62
M.V.M. (Electrical & Fuel)	0	0	0	0	0	0	0	12	X	X
Truck and Transport Mechanic	14	12	5	3	7	4	3	42	3	X
Motor Vehicle Body Repairer	18	16	4	3	4	3	1	132	39	X
M.V.M. (Transmission)	0	0	0	0	0	0	0	2	X	X
Oil Burner Mechanic	5	4	1	1	2	1	4	96	20	X
Painter & Decorator	0	0	0	0	0	0	2	5	1	X
Plumber	46	37	7	9	24	7	1	266	127	53
Radio & T.V. Repairer	0	0	0	0	0	0	0	3	0	X
Refrigeration & Air Conditioning	5	1	1	4	2	1	2	29	3	X
Secretary	0	0	0	0	0	0	9	36	X	X
Service Station Mechanic	8	11	5	2	0	0	22	474	X	X
Sheet Metal Worker	15	10	0	5	5	0	1	35	17	X
Small Equipment Mechanic	1	0	0	1	0	0	1	2	X	X
Engine Fitter	0	0	0	0	0	0	0	1	X	X
Steamfitter/Pipefitter	0	0	0	0	0	0	0	39	11	X
Welder	45	30	7	12	22	13	8	79	30	X
TOTALS	**469**	**347**	**92**	**150**	**220**	**67**	**93**	**3190**	**1048**	**115**

X - Not available in this trade

CANADIAN JOBS STRATEGY

The following Canadian Jobs Strategy proposals were received during 1987/88.

Program Stream	Number
Skill Investment	48
Skill Shortages	79
Job Entry	17
Job Development	
Individualized	220
Project	56
Total	**420**

APPRENTICESHIP ADVISORY BOARD

The Provincial Apprenticeship Advisory Board held nine regular meetings during the year and one special meeting with Dr. Tom Connor, author of the Federal/Provincial Apprenticeship Study. Items that the Board dealt with during the year include the following:

- Federal/Provincial Apprenticeship Study
- Probationary Period for Apprentices
- Eligibility for Block Release Training
- Compulsory Certification/Apprenticeship (an Ad Hoc Committee carried out a study of this topic)
- Visits to training sites and discussions with apprentices
- Promoting the Apprenticeship Program
- Specialization in the apprenticeable trades.

EMPLOYMENT DEVELOPMENT SECTION

The Employment Development Section is responsible for the delivery of the Jobs For Youth Program and the Jobs Registry Service.

Jobs For Youth

The Program was inaugurated in April 1987 with a budget of $905,000 and contained two components:

- Work for Youth
- Youth Business Start

The Work For Youth component provided wage support to three sectors.

- Private Sector (Businesses and incorporated communities)
- Non-Profit Organizations
- Public Sector (Provincial Government Departments and Agencies)

Wage assistance was offered to encourage these sectors to create additional work for students and 16-29 year old youth not returning to school.

The Youth Business Start component offered interest free loans to Student/Youth to establish a small business. (The Youth Component was administered by Small Business Development Division).

The following is a summary of each component at year end (March 31, 1988).

WORK FOR YOUTH

SECTOR	APPLICATIONS RECEIVED	JOBS APPROVED	COST
Public	81	160	239,764
Non-Profit	137	175	322,846
Private	365	252	272,527

YOUTH BUSINESS START

GROUP	NUMBER OF PROJECTS	NUMBER OF JOBS CREATED
Student	10	15

Response to the Jobs For Youth Program was overwhelming as nearly all of the Program funds had been committed by year end.

JOBS REGISTRY

The Jobs Registry service was established in early April 1987 to provide a central referrel service for the placement of students within Provincial Government Departments and Agencies and for the placement of individuals in positions funded through designated Provincial Employment Creation Programs.

The Jobs Registry provided a "one stop" location for students applying to any department or agency and to individuals who sought employment with businesses or non-profit groups assisted by the Jobs For Youth Program.

The following provides a summary on the number of employment registrations for the 1987/88 fiscal year.

Regional Services Centre	Applications Received
West Prince	708
East Prince	688
Queens County	1926
Southern Kings & Queens	558
Evangeline	123
Eastern Kings	491
Out of Province	30
TOTAL	4524

Of the total, 2600 were students intending to return to school.

The development of the Registry's computer network system which will link the Regional Services Centres to the Registry's services is underway.

These developments will lead to a large increase in the level of activity at the Employment Development Section in the coming year.

WORK OPPORTUNITIES FUND

The Work Opportunities Fund was used for the Island Enhancement Project. This project provided employment for 131 people who enhanced 220 kilometres of Island roadsides.

The project generated $316,000 dollars in personal incomes while at the same time creating 1200 weeks of employment for unemployed Islanders. In addition to wages, there were spinoffs for Island businesses with the purchase of equipment, gas, oil and office supplies.

RESEARCH AND ANALYTICAL SERVICES SECTION

The Section's responsibilities can be divided into seven major areas:

Labour Market Analysis:

The Section analyzes existing labour market data in the Quarterly Labour Market Bulletin which is distributed to various private and public sector representatives both within and outside the Province. On a monthly basis, an assessment of Statistics Canada's Labour Force Survey results for Prince Edward Island is prepared for the Minister and Deputy Minister's consideration.

Labour Market Forecasting:

The Research and Analytical Services Section has responsibility for liaison with the Federal Canadian Occupational Projection System which provides estimates on labour market supply and demand for the Province and the country. The Province has computer access to the system which provides information, for example, on the projected employment by occupation and post-secondary enrollment levels.

Labour Market Research:

During 1987/88, the Section conducted the Annual Student Follow-up of the 1986 graduates from UPEI, Holland College post-secondary, full time vocational high school and Canada Employment and Immigration sponsored courses. The results will be compiled in a report illustrating the graduates success in obtaining employment. The 1986 report was distributed to junior and senior high school guidance counsellors throughout the Province.

In 1987/88, the Section also conducted an evaluation of one of the Departments Programs, the Adult Night Class Program. A report was compiled based on the results of this evaluation.

Policy Analysis and Development:

During the 1987/88 year, briefing notes and program proposals were prepared for the consideration of Departmental management. The Section represented the Department on an Interdepartmental Committee to review Unemployment Insurance and prepare a Provincial position concerning the Forget Commission of Inquiry on Unemployment Insurance.

Through consultation with Department officials, a Computer Application Plan was prepared for the Department, outlining current computer equipment and future requirements. The required equipment was purchased and will be installed at the Department of Industry Central office as well as the Regional Services Centre offices during the next fiscal year.

Public Requests for Information:

During 1987/88, the Section responded to approximately 150 public requests for information concerning a wide range of topics such as wage rates by occupation, income levels, employment levels and unemployment rates. There were also a large number of requests received for publications prepared by the Section. The Section is pleased to respond to any public requests for labour market information.

Immigration:

The Section has Provincial responsibility for immigration which involves liaison with the Federal Government on the level of immigration to the Province. As well, the Section is the Provincial liaison for the Federal Business Immigration Program. Staff met with interested immigrants concerning their business immigration plans. Proposals are referred to appropriate Provincial Departments to comment on the viability of the entrepreneur's business plan. During 1987/88, the Section made a number of referrals to other Departments to comment on the viability of the entrepreneur's business plan. As well, applications have been received under the Investor Category of the Program which is designed to encourage foreign investment in specific projects.

A kit containing information about Prince Edward Island was sent to Visa officers abroad which could encourage entrepreneurs to come to the Province. The Section planned and co-ordinated an annual entrepreneurial development officers tour. The officers were briefed by Provincial Government officials concerning local labour market conditions.

Publications Released:

During the 1987/88 year the Section prepared the following reports for public distribution:

- Holland College and University of PEI Graduates: Success in Obtaining Employment 1982-1986 Graduates

- The Prince Edward Island Labour Market Bulletin - Quarterly

- Women in Business Prince Edward Island Directory.

The Section also has a listing of all the publications prepared by the Research and Analytical Services Section and a brief description of the contents of each publication.

Copies of any of these publications can be obtained from the Research and Analytical Services Section, PEI Department of Industry, 1st Floor Sullivan Building or Island Information Services, 11 Kent Street, Charlottetown, PEI.

SMALL BUSINESS DEVELOPMENT DIVISION

A major objective of the Small Business Development Division is to encourage and assist in establishing or expanding successful small business throughout the Province.

The Division, in addition to the Director and administrative support staff is composed of two operating sections. The Small Business Program Section is primarily involved in the management of program delivery on a Provincial basis, while the Small Business Development Services Section is responsible for regional promotion and co-ordination of programs and delivery of the Small Business Counselling Service. Small Business Development officers are located in Eastern Kings, Southern Kings and Queens, East Prince, and West Prince. As well, the Regional Co-ordinator in the Evangeline Region fulfills this function in that area.

The primary responsibilities of the Division include:

- the promotion and encouragement of new investment in businesses appropriate to the Island environment;
- the provision of consulting and advisory services to the small business sector;
- administration of financial programs and services to small business sector;
- assistance to applicants in preparing required supporting documentation with respect to applications for industrial assistance under various Federal/Provincial assistance programs;
- liaison with the Island business community, Area Industrial Commissions, Chambers of Commerce, local industry groups, educational institutions and municipal governments;
- provision to the public of up-to-date information on all Federal and Provincial Industrial Programs;
- provide services to business and economic development groups with the Community Economic Development Division of the Department, and other Government agencies through the Regional Services Centres;

The following programs and services are provided by the Small Business Development Division of the Department of Industry.

Business Development Program Support

The primary objective of this program is to provide financial, professional and technical support to Island businesses in identifying and pursuing business opportunities.

In addition to the service provided by staff of the Small Business Development Division, financial assistance ($17,222.00) was provided to 18

Island firms during the year in the contracting of services of professional accountants to prepare financial projections for inclusion with applications to access financial assistance available through various Federal and/or Provincial government programs.

Small Business Counselling Service

During the past year the Division provided an information and counselling service to many potential and existing Island businesses (see Table 4).

This assistance related primarily to assisting potential entrepreneurs to determine initial feasibility, business plan preparation and assistance with applications and accessing programs and services of the Department and other Provincial and Federal agencies. This service is available to all forms of businesses in each Region of the Province. In excess of 5,000 business consultations were provided, and assistance was provided in preparing 183 business plans.

Economic Project Development

Staff of the Division participated with many business and community organizations in promoting an improved economic development climate throughout the Province. Division staff participated directly in the preparation of 112 such projects, and attended 430 meetings with such groups (see Table 4). The Small Business Development officers also co-operate with the Department of Tourism and Parks in providing service to tourism businesses and associations throughout the Province.

Management and Entrepreneurial Develoment Program

This program is a new initiative under the Canada - Prince Edward Island Industrial Development Sub-Agreement which was signed during 1987-1988.

Primarily the objective of this new program is through management development courses, to improve and stimulate the management capabilities of employees of Prince Edward Island business firms and thereby improve the efficiency, effectiveness, and profitability of these businesses.

As well, the program is intended to provide financial assistance to educational institutions as well as private industry associations and business groups to develop and host a wide range of management courses, seminars and workshops designed to upgrade the management skills of Island business people.

The first applications were received in late January and before fiscal year end. Nineteen (19) applications were accepted and evaluated. A total of sixteen (16) private sector applicants and/or associations were approved. The total amount of funds committed was $36,784.00 with $17,792.37 being spent before fiscal year end. Of the sixteen (16) approvals given seven (07) were outstanding and ongoing at year's end. This is a very encouraging result considering the program was available for just over two months.

Business Education Linkage/Student Policy Projects

This program provides a reference library of potential business opportunities. In 1987, 18 new feasibility studies were prepared by fourth year/graduating students in Business Administration at the University of Prince Edward Island. These projects research and assess the financial feasibility of new business opportunities. The studies have proven to be a valuable reference source of investment opportunities to the province in addition to providing beneficial experience for students.

Since the inception of this program in 1970, 294 policy projects have been researched and are on file in the Department of Industry. These studies are available for review by potential investors.

It is estimated that approximately 35 new Island businesses have been created as a result of these studies and/or can be traced to these studies.

Graduates-In-Business

The objective of the Graduates-In-Business Program is to accelerate the identification and start-up of new small businesses owned or operated by young Island graduates.

Since the inception of the Program in 1985 there have been 21 applications, and as a result, a total of six (6) new businesses have been established, creating full-time employment for six (6) graduates and an additional 17 jobs in these new businesses.

Student-In-Industry

In the summer of 1987, the Department of Industry in cooperation with the University of P.E.I. School of Business Administration assisted 28 Island firms under the Student-In-Industry Program. These 28 firms were assisted to a maximum of $1,400. each to hire university students during the summer months. The firms involved in this program are encouraged/required to undertake development/business projects which they would normally not carry out without some financial assistance.

Students involved in this Program gain a valuable work experience while applying skills attained during the previous two - three years of university studies. Students involved in this Program were able to earn up to $4,356. during the summer months thus assisting in the expense of attending university during 1987/88.

Small Business Research Program

The primary objective of this Program is to identify small business opportunities for Island business and potential investors, thereby strengthening our economic base and creating additional employment opportunities for Prince Edward Island residents.

By the terms of this Program, applicants are required to submit a general outline of the 'opportunity' which they would like to have

researched. The Department of Industry may then cost share with the applicant the cost to engage a consultant(s) to undertake a detailed feasibility study. The Department of Industry can finance up to 75 percent of the cost of the study ($10,000 maximum) with the applicant financing the balance.

In the 1987/88 year, one major study which was initiated in 1986/87 was concluded; several new studies were contracted out in the year and were completed; while several are still on-going.

In the period, financial assistance was extended to several applicants to engage consultants to carry out detailed feasibility studies to identify new opportunities. Several of the applicants, as a result of the studies carried out are planning new businesses, and one (1) intends to expand their present facility. Examples of feasibility studies completed during the year include:

- A feasibility study for the production and marketing of bottled water;

- A feasibility study to investigate the possibility of establishing a school bus maintenance facility.

- A feasibility study of fish holding technology to study physical sites for a new year-round lobster holding facility.

- The first stage of a feasibility study to set up a paper bag production facility to manufacture potato bags;

- A feasibility study of manufacturing aluminium boat hulls.

At year end, four (4) other studies were ongoing, and were nearing completion. Several potential applications were anticipated for early in the new year.

Industrial Services

The objective of the program is to strengthen/improve the profitability of existing industries through the upgrading of production capabilities while ensuring maximum levels of employment are maintained.

The costs associated with engaging consultants and industry specialists normally are cost-shared with the applicant on a negotiated basis.

All manufacturers and processors, as well as certain Government agencies, industrial boards and other organizations are eligible to apply for assistance under this Program except those studies that are eligible under the Industrial Development programs of the Department of Regional Industrial Expansion (D.R.I.E.) and/or the Action programs of the Atlantic Canada Opportunities Agency.

Under the terms of the program, applicants must submit a written request for assistance. Requests are assessed on an individual basis and costs paid on a cost-shared basis.

During 1987-1988, one (1) firm and two (2) agencies were assisted with actual committed dollars amounting to $11,800.00.

Assistance was provided to Ron Chandler, Physical Distribution Advisory Services and the Small Business Database.

Small Business Enhancement Program

The Small Business Enhancement Program, (formerly Small Business Incentives) now in its fourth year of existance, continues to encourage and accelerate desirable development within the manufacturing, processing and service industry sectors of the provincial economy. Assistance is in the form of interest free Forgivable Performance Loans which are forgiven over a two year period provided the applicant undertakes and substantially carries out what is proposed in the application.

Forgivable Performance Loans of up to $20,000 are available for the creation of a new operation or for the expansion of an existing operation. Assistance to a maximum of $7,000 is available for the modernization of an existing operation provided it will substantially improve working conditions and/or productivity.

This Program is jointly funded by the Canada/P.E.I. Subsidiary Agreement on Industrial Development, and has a budget for the 1987/88 fiscal year of $900,000.

An increased contribution in May of 1987 from $15,000. to $20,000. has resulted in greater activity, and should result in more long-term job opportunities.

During the period April 1, 1987 to March 31, 1988, a total of 61 applications were approved resulting in a projected capital expansion of $2,258,780 in the provincial economy.

The Program has been successful in assisting 43 firms to expand. In the year, the Program also financially assisted in the creation of 18 new small businesses.

In the fiscal year 1987/1988 the Small Business Enhancement Progam assisted in the creation of 107 new jobs. Total assistance by the Program was $731,301.00, representing $6,306.00 for each additional job created.

Some of the new products and services created include:

Aircraft servicing
net mending/manufacturing
commercial refrigeration service
metal lobster trap manufacturing
cole crop processing
pattern making manufacturing
gouda cheeze processing
micrfilming service
trout processing
commercial ice manufacturing

During 1987/88, fifty-nine (59) of the prior years approved cases were reviewed for first forgiveness, and forty-three (43) final forgivenesses were granted. It is expected that 1988/1989 will see greater activity in this area with many firms approaching their first and second anniversary date.

Table 5 illustrates the results of activity from April 1, 1987 to March 31, 1988. Table 6 illustrates the results of the Small Business Enhancement Program since May 25, 1984.

Youth Business Start Program

The objective of this Program is to encourage the development of entrepreneurial skills of young Islanders and to create additional employment opportunities for Island youth by assisting them in establishing their own small business.

To meet these objectives, the Program provides applicants with loan guarantees up to $5,000 interest free for the first year.

In 1987/88, 13 applications were received and five (5) proposals were approved. Total loans were valued at $20,772. As a result of this year's Program, six (6) new jobs have been created for Island youth.

Power Conversion - Provincial

The objective of this Program is to extend three phase power to those manufacturing and/or processing operations who are restrained in their activities as a direct result of insufficient power being available. Assistance is also available to assist in establishing new manufacturing or processing operations in locations where three phase power is required but not available. Assistance is provided in the form of either:

(a) installation of three phase power line; or

(b) acquisition of generating equipment whichever is the most cost effective.

In 1987/88, Howard's Cove Seafood and Quinn's Machine Shop were provided with the full cost to extend three-phase power. Atlantic Aqua Farms was provided assistance to purchase a roto-phase unit.

TABLE 4

SMALL BUSINESS COUNSELLING SERVICE

SMALL BUSINESS DEVELOPMENT DIVISION

ACTIVITY REPORT

APRIL 1, 1987 - MARCH 31, 1988

	EAST KINGS	S. KINGS & QUEENS	CENTRAL	EAST PRINCE	EVANGE-LINE	WEST PRINCE	TOT
Business Consultants Made	211	364	3560	442	133	371	50
Venture Plans Prepared with clients	64	22	42	32	5	18	1
Business Establishment Visits Made	150	213	354	29	30	139	91
Project Undertaken	15	12	13	7	50	15	112
Meetings Attended for Various Business Development Groups	64	82	34	64	106	84	434

The list below provides an indication of special projects staff were involved with at the community level across the Province.

Eastern Kings

1. Marine Travel list inshore fleet;
2. Spry Point Ark Tourism Project;
3. Goose River Blueberry Co-operative;
4. Village of St. Peters - taking over Provincial Park & New Swimming Pool;

Southern Kings & Queens

1. Trade Show;
2. Incubator Mall;

East Prince

1. S.W.D.C. Tourism Project;
2. Lucy Maud Montgomery School Restoration;
3. Trade Show;
4. Sea Sell '88
5. Summerside Bound Tourism Brochures;
6. Education Management seminars for Small Business with Chambers of Commerce;

West Prince

1. Trade Show;
2. West Cape Lighthouse Project;
3. Incubator Mall;

Central

1. Checklist for starting a Small Business;
2. Women In Business;
3. Update Programs Guide;
4. Small Business Profiles;
5. Champlain Institute;

Evangeline

1. Economic Mission to France;

TABLE 5

SMALL BUSINESS ENHANCEMENT PROGRAM
April 01, 1987 to March 31,1988

COUNTY	NO. OF LOANS APPROVED	MANUFATURING & PROCESSING NEW	MODERNIZATION	EXP.	SERVICE SECTOR NEW	EXP.	PROJECTED NEW JOBS	AMOUNT	AVERAGE COST/JOB	AVERAGE LOAN
Kings	10	1	-	6	1	2	22.70	$123,744	$5,451	$12,374
Queens	39	8	-	21	1	9	78.63	511,005	6,499	13,103
Prince	12	6	-	4	1	1	23.71	174,223	7,348	14,519
	61	15	-	31	3	12	125.04	$808,972	$6,470	$13,262

TABLE 6

SMALL BUSINESS ENHANCEMENT PROGRAM
May 25, 1984 - March 31, 1988

COUNTY	NO. OF LOANS APPROVED	MANUFATURING & PROCESSING NEW	MODERNIZATION	EXP.	SERVICE SECTOR NEW	EXP.	PROJECTED NEW JOBS	AMOUNT	AVERAGE COST/JOB	AVERAGE LOAN
Kings	48	9	0	26	5	8	124.5	$ 557,622	$4,479	$11,617
Queens	116	29	1	61	8	17	235.9	1,311,904	5,561	11,310
Prince	69	21	0	26	7	15	149.6	742,567	4,964	10,762
	233	59	1	113	20	40	510.0	2,612,093	5,122	11,211

INDUSTRIAL DEVELOPMENT SUB-AGREEMENT (ERDA)

In April of 1987, Canada and Prince Edward Island signed a five (5) year 23.5 million dollar Industrial Development Sub-agreement. The primary objectives of this agreement are to improve the climate for industrial development, expand and diversify the Island economy, increase the level of productivity and innovation in local firms and assist the development of Small Business.

To achieve the objectives of the agreement, four comprehensive programs have been developed; (i) strategic development program; (ii) productivity, innovation and technology advancement program; (iii) small business enhancement program (see specific programs outlined in Small Business Development Division pages 30-35); (iv) infrastructure support program.

As a result of the late signing of the sub-agreement, several programs were not fully implemented to the level of participation as planned. It is anticipated that all programs under the ERDA will be implemented in the upcoming year.

Strategic Opportunities

The primary objective of the strategic opportunities program is to provide assistance to significant strategic investment opportunities which have the potential to accelerate industrial or technological advancement, add to diversification and create significant new longterm employment opportunities.

During 1987/88, two projects were approved with actual committed dollars amounting to $1,634,000.00.

Technology Promotion

The objective of this program is to promote a greater awareness and understanding of new technologies and the contribution they can make to the competitiveness of Island firms.

To meet the program objectives, the Department of Industry will provide assistance to mount demonstration projects, development of targetted management courses to deal with the management of new technologies, development of media programs dealing with technology adoption within Island firms, development of an information utility on new technologies to be accessed by Island firms.

As a result of the late implementation of the sub-agreement only one project was undertaken by the Department of Industry. The Department engaged a consultant to undertake a study of the needs of Island firms for technology advancement, facilities, services and programs. The dollars committed to this project amount to $24,750.00.

Technology Development and Acquisition

The purpose of this program is to assist local manufacturers, processors, and selected commercial industries to seek out, identify, acquire and adopt new technologies which will improve productivity and enhance competitiveness.

As a result of the late implementation of the sub-agreement only two projects were approved with actual committed dollars amounting to $6,793.00.

Industrial Infrastructure Support Program

The industrial infrastructure support program is funded jointly under the Canada/PEI Industrial Development Sub-agreement. The objective of this program is to provide assistance to new and expanding firms to undertake capital cost projects which involves wastes treatment, water supply and power conversion, also assistance is available for studies related to economic/business development opportunities in the less developed regions of the Province.

As a result of the late signing and implementation of the Canada/PEI Industrial Development Sub-agreement, only five projects were approved during 1988 with actual committed dollars amounting to $15,462.00.

DEPARTMENT OF INDUSTRY

DEPARTMENT MANAGEMENT

	EXPENDITURES $	$	$	ESTIMATES $	$
ADMINISTRATION					
Administration	37,508			36,800	
Equipment	75,927			8,700	
Materials & Supplies	2,456			3,900	
Salaries	284,813			323,500	
Travel	23,031			25,500	
Grants (UPEI Office of Research & Development)	51,177			55,000	
		474,912			453,400
POLICY AND PLANNING					
Administration	383			400	
Materials & Supplies	414			500	
Salaries	94,726			96,700	
Travel	10,080			5,600	
		105,603			103,200
			580,515		556,600

SMALL BUSINESS DEVELOPMENT

ADMINISTRATION					
Administration	3,178			3,200	
Materials & Supplies	4,767			5,600	
Salaries	75,967			82,800	
Travel	2,863			3,300	
		86,775			94,900
PROGRAM ADMINISTRATION					
Administration	1,782			1,800	
Materials and Supplies	1,538			5,700	
Professional Services				800	
Salaries	144,415			132,900	
Travel	7,506			7,700	
		155,241			148,900
PROGRAM SUPPORT					
Materials and Supplies	11,432			22,000	
Professional Services	73,558			65,400	
		84,990			87,400

DEPARTMENT OF INDUSTRY

SMALL BUSINESS DEVELOPMENT	EXPENDITURES $	EXPENDITURES $	ESTIMATES $	ESTIMATES $
INDUSTRIAL RESEARCH				
Professional Services	4,200		72,800	
GRANTS - Small Business Research	63,323			
		67,523		72,800
MGMT. AND ENT DEV.				
Grants		17,792		
INDUSTRIAL SERVICES				
Professional Services			20,800	
Grants	10,000			
		10,000		20,800
POWER CONVERSION				
Grants/Power Conversion		131,561		49,200
SMALL BUSINESS INCENTIVE PROGRAM				
Salaries	4,247			
Travel	1,712			
Grants	870,213		550,000	
		876,172		550,000
INDUSTRIAL SUPPORT - ERDA				
Grants			1,279,200	
PEI GRADUATES-IN-BUSINESS				
Salaries	763			
Travel	290			
Grants	38,937		75,000	
		39,990		75,000
INDUSTRIAL INFRASTRUCTURE SUPPORT				
Professional Services	1,997			
Grants	13,465		750,000	
		15,462		750,000
STRATEGIC OPPORTUNITIES				
Grants - Industry Incentives		1,634,000		

DEPARTMENT OF INDUSTRY

	EXPENDITURES $	$	$	ESTIMATES $	$
PROSPECTING					
Grants/Industry Incentives		41,918			
TECHNOLOGY DEVELOPMENT AND ACQUISITION					
Professional Services	24,750				
Grants/Industry Incentives	6,793				
	------	31,543			
SMALL BUSINESS DEVELOPMENT SERVICE					
Professional Services	24,071			31,300	
Salaries	187,070			221,900	
Travel	15,697			13,500	
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		226,838		226,700	
		---------		-------	
			3,419,805		3,394,900
COMMUNITY ECONOMIC DEVELOPMENT					
CENTRAL ADMINISTRATION					
Administration	475			500	
Materials and Supplies	620			600	
Professional Services	9,201			10,000	
Salaries	161,592			152,100	
Travel	7,078			8,200	
Grants/Area Industrial Commissions	211,631			215,000	
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		390,597		386,400	
EAST PRINCE REGIONAL SERVICES CENTRE					
Administration	39,360			43,900	
Materials & Supplies	13,654			12,000	
Salaries	107,490			102,800	
Travel	4,955			3,400	
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		165,459		162,100	
EASTERN KINGS REGIONAL SERVICES CENTRE					
Administration	51,152			54,300	
Materials & Supplies	12,111			14,100	
Salaries	103,279			107,600	
Travel	1,305			1,800	
Grants/Comm. Advisory Board	1,744			1,800	
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		169,591		179,600	

DEPARTMENT OF INDUSTRY

	EXPENDITURES $	$	ESTIMATES $	$
WEST PRINCE REGIONAL SERVICES CENTRE				
Administration	76,599		77,900	
Materials & Supplies	15,730		20,200	
Salaries	111,631		118,400	
Travel	3,672		3,200	
Grants/Community Advisory Board	3,044		2,700	
		210,676		222,400
SOUTHERN KINGS/QUEENS REGIONAL SERVICES CENTRE				
Administration	53,037		52,900	
Materials & Supplies	13,246		13,000	
Salaries	120,335		115,800	
Travel	6,594		5,700	
Grants/Community Advisory Board	1,799		1,800	
		195,011		189,200
EVANGELINE REGIONAL SERVICES CENTRE				
Administration	7,159		5,300	
Materials & Supplies	4,131		2,000	
Salaries	59,466		59,500	
Travel	1,646		1,800	
Grants/Community Advisory Board	672		800	
		73,074		69,400
CO-OP DEVELOPMENT ADVISORY COMMITTEE				
Administration	470			
Salaries	2,396			
Travel	1,016			
		3,882		
ACADIAN COMMUNITIES ADVISORY COMMITTEE				
Administration	893		1,000	
Materials & Supplies	798		1,000	
Salaries	6,403		6,000	
Travel	1,688		3,000	
		9,782		11,000

DEPARTMENT OF INDUSTRY

	EXPENDITURES $	$	$	ESTIMATES $	$
COMMUNITY ECONOMIC DEVELOPMENT FUND					
Salaries				11,000	
Travel				4,000	
GRANTS:					
Comm. Ec. Dev. Fund	12,667			37,500	
Industry Incentives	39,850				
		52,517		52,500	
			1,270,589		1,272,600
HUMAN RESOURCE DEVELOPMENT					
ADMINISTRATION					
Administration	974			1,000	
Materials & Supplies	683			700	
Salaries	116,540			115,100	
Travel	5,966			9,800	
		124,163		126,600	
EMPLOYMENT DEVELOPMENT ADMINISTRATION					
Administration	1,315			1,400	
Equipment	6,916			7,000	
Materials & Supplies	13,222			12,000	
Professional Services	10,150				
Salaries	49,309			57,500	
Travel	4,520			3,500	
GRANTS:					
Operations Crown Corp.	317,000				
		402,432		81,400	
JOBS FOR YOUTH					
Salaries	239,764			195,000	
GRANTS:					
Junior Achievement	4,000			5,000	
Miscellaneous	1,300				
Work For Youth/					
Private Sector	272,527			400,000	
Youth Business Start	2,160			10,000	
Work For Youth/					
Non-Profit Sector	322,845			300,000	
		842,596		910,000	
WORK OPPORTUNITIES FUND					
Grants		413,500		400,000	

DEPARTMENT OF INDUSTRY

	EXPENDITURES $	$	ESTIMATES $	$
HUMAN RESOURCE DEVELOPMENT				
ADULT AND CONTINUING EDUCATION				
Administration	2,513		2,600	
Materials & Supplies	715		2,300	
Salaries	91,874		101,200	
Travel	4,683		7,700	
GRANTS:				
Manpower Training	3,118,913		3,264,000	
Adult Night Classes	110,400		110,400	
Holland College/ Capital Equipment	30,000		30,000	
		3,359,098		3,518,200
RESEARCH & ANALYTICAL SERVICES				
Administration	1,662		1,700	
Materials & Supplies	998		1,000	
Salaries	82,789		81,900	
Travel	1,182		2,500	
		86,631		87,100
APPRENTICESHIP				
Administration	4,199		4,200	
Materials and Supplies	2,800		3,700	
Salaries	226,432		225,200	
Travel	13,922		13,200	
GRANTS:				
Apprenticeship Training Allowances	2,000		1,700	
		249,343	248,000	
		5,477,773		5,371,300
TOTAL DEPARTMENT OF INDUSTRY		**$10,748,682**		**$10,595,400**

DEPARTMENT OF INDUSTRY

	REVENUE			ESTIMATES	
	$	$	$	$	$
SMALL BUSINESS DEVELOPMENT					
Administration					
Federal					
Miscellaneous		6,561			
Management and Ent. Devel.					
Federal					
Economic Regional Development Agreement		12,455			
Industrial Services					
Federal					
Economic Regional Development Agreement				949,200	
Small Business Incentive Program					
Federal					
Economic Regional Development Agreement	533,960				
Sales/Recoveries Forgiveable Loans	5,283			12,000	
		539,243		12,000	
Industrial Infrastructure Support					
Federal					
Economic Regional Development Agreement		10,823		525,000	
Strategic Opportunities					
Federal					
Economic Regional Development Agreement		1,143,800			
Prospecting					
Federal					
Economic Regional Development Agreement		29,343			
Technology Development and Acquisition					
Federal					
Economic Regional Development Agreement		22,080			
			1,764,305		1,486,200

DEPARTMENT OF INDUSTRY

	REVENUE			ESTIMATES	
	$	$	$	$	$
COMMUNITY ECONOMIC DEVELOPMENT					
Central Administration					
Federal					
Economic Regional					
Development Agreement		131,060		139,700	
East Prince Regional					
Services Centre					
Federal					
Miscellaneous	6,071				
Sales					
Miscellaneous	967			2,100	
	------	7,038		------- 2,100	
Eastern Kings Regional					
Services Centre					
Sales					
Miscellaneous		2,615		1,300	
West Prince Regional					
Services Centre					
Sales					
Miscellaneous		14,724		15,700	
Southern Kings/Queens					
Regional Services Centre					
Sales					
Miscellaneous		2,296		1,800	
Evangeline Regional					
Services Centre					
Federal					
Miscellaneous	45,475			35,900	
Fees and Services					
Miscellaneous	167				
	-------	45,642		------- 35,900	
Acadian Communities					
Advisory Committee					
Federal					
Miscellaneous		2,000			
Community Economic					
Development Fund					
Federal					
Miscellaneous		39,850			
		-------		-------	
		245,225			196,500

DEPARTMENT OF INDUSTRY

	REVENUE			ESTIMATES	
	$	$	$	$	$
HUMAN RESOURCE DEVELOPMENT					
Jobs For Youth					
Fees and Services					
Miscellaneous	9,012				
Investment					
Miscellaneous	1,200			5,000	
		10,212		5,000	
Adult and Continuing Education					
Federal					
Canada Manpower	3,402,113			3,542,000	
Miscellaneous	2,996			4,000	
		3,405,109		3,546,000	
Apprenticeship					
Fees and Services					
Miscellaneous		1,130	3,416,451	500	3,551,500
TOTAL DEPARTMENT OF INDUSTRY			**$5,425,981**		**$5,234,200**